REMARKS

In response to the Non-Final Office Action mailed February 26, 2008 (hereinafter "Office Action"), no claims have been cancelled, amended, or newly added. Claims 42-59 are withdrawn from consideration. Therefore, claims 1, 3-9, 11-15, 17-23, 25-29, 31-37, and 39-41 remain pending. In view of the following comments, allowance of all the claims pending in the application is respectfully requested.

REJECTIONS UNDER 35 U.S.C. § 103

Claims 1, 3-9, 11-15, 17-23, 25-29, 31-37, and 39-41 stand rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over U.S. Patent No. 6,061,660 to Eggleston *et al.* ("Eggleston") in view of U.S. Patent No. 4,968,873 to Dethloff *et al.* ("Dethloff") [Office Action, pg. 2]. Applicant traverses this rejection because the Examiner has failed to establish a *prima facie* case of obviousness.

In the Office Action, the Examiner alleges that Eggleston teaches all of the features of independent claims 1, 15, and 29, with the exception of "processing the transaction using the amount of second currency associated with the first participant". In an effort to cure this admitted deficiency of Eggleston, the Examiner relies on the teachings of Dethloff.

Assuming arguendo that it were legally proper to modify Eggleston to include the teachings of Dethloff in the manner alleged by the Examiner (which Applicant does not concede), the rejection would still be improper for at least the reason that neither Eggleston nor Dethloff, either alone or in combination, teach or suggest all the features of at least independent claims 1, 15, and 29.

In the Office Action, the Examiner relies on Eggleston for the teachings of an intermediary. Eggleston, however, fails to teach or suggest at least the following features of independent claim 1 which relate to the intermediary:

> ***receiving at an intermediary*** from a first participant in the transaction, a request to process the transaction using a ***first currency that is not recognized by a second participant*** in the transaction, wherein the first currency comprises a private currency;
> ***decrementing, by the intermediary***, an amount of the first currency associated with the first participant by decrementing a balance of a first currency account of the first participant, and ***incrementing, by the intermediary***, an amount of second currency associated with the first participant by incrementing a balance of a second currency account of the first participant, wherein the second currency is recognized by the second participant;

I. Eggleston's telecommunications connection is not an intermediary, as claimed.

The Examiner erroneously alleges that "[a]n intermediary as claimed corresponds to a telecommunications connections [38] in Eggleston since they are both a connection to link information between users." [Office Action, pg. 2]. The Examiner has committed legal error in alleging that a telecommunications connection corresponds to the claimed intermediary. At a minimum, the Examiner fails to consider the claim as a whole. Considered as a whole, the claim recites that the intermediary is used for: 1) receiving a request from a first participant in the transaction to process the transaction using a first currency that is not recognized by a second participant in the transaction; 2) decrementing an amount of the first currency associated with the first participant by decrementing a balance of a first

currency account of the first participant; and 3) incrementing an amount of second currency associated with the first participant by incrementing a balance of a second currency account of the first participant. Clearly, Eggleston's telecommunication connection 38 does not perform these claimed operations. For at least this reason, the rejection under 35 U.S.C. § 103(a) is improper and should be withdrawn.

II. Eggleston fails to teach or suggest a transaction (between a first participant and second participant) involving a first currency that is not recognized by a second participant.

The Examiner has taken inconsistent positions regarding entities in Eggleston which the Examiner alleges are analogous to Applicant's first and second participants. For instance, at page 3, lines 1-2 of the Office Action, the Examiner alleges that: a) in Eggleston, the consumer is a "first participant" and the retailer is a "second participant." At page 3, lines 3-4 of the Office Action, however, the Examiner then alleges that: b) in Eggleston, "one retailer" is a "first participant" and "another retailer" is the "second participant".

a) Assuming arguendo that Eggleston's consumer is analogous to Applicant's "first participant" and Eggleston's retailer is analogous to Applicant's "second participant" (which Applicant does not concede), the Examiner's interpretation would fail because an award redemption transaction (alleged transaction) between the consumer (alleged first participant) and the retailer (alleged second participant) involves a first currency (allegedly the award/prize which includes, for example, loyalty points) that is recognized by the second participant (retailer). This is contrary to the explicit claim language.

Eggleston discloses that a sponsoring entity desiring to offer incentive programs selects prizes for the incentive programs from an award database that lists information regarding prizes offered by *registered retailers*. [Eggleston, column 14, line 66 – column 15, line 44]. When a consumer participates in and wins an incentive program, the consumer is provided with instructions to visit the registered retailer (who offered the prize to be selected by the sponsoring entity) to obtain the prize [Eggleston, column 44, line 64-column 45, line 67]. Thus, the prize (alleged first currency) that the consumer obtains at the registered retailer is a prize that is recognized by the registered retailer. As such, the Examiner's first interpretation fails to meet Applicant's claim language.

b) The Examiner's alternate interpretation of labeling "one retailer" as a first participant and "another retailer" as the second participant is likewise deficient as there appears to be no "transaction" between one retailer and another retailer.

In the Office Action, at page 3, lines 3-4, the Examiner alleges that one retailer doesn't necessarily recognize another retailers' redemption points, but accepts the incentive points due to points in the card. The Examiner's allegation is erroneous because Eggleston does not appear to disclose transactions between two retailers. Accordingly, the Examiner's alternate interpretation is also improper.

Dethloff fails to cure the deficiencies of Eggleston identified above. In particular, the Examiner does not rely on Dethloff to disclose Applicant's intermediary as claimed. Also, Dethloff fails to disclose transactions involving a first currency, wherein the first currency comprises a *private currency*. Other distinctions may exist.

Thus, for at least the reason that neither Eggleston nor Dethloff, either alone or in combination, disclose, teach, or suggest at least the foregoing claim features, the rejection of independent claim 1 under 35 U.S.C. § 103(a) is improper and should be withdrawn. Independent claims 15 and 29 include similar recitations and are therefore patentable for the same reasons presented above with respect to claim 1. Thus, the rejection of independent claims 15 and 29 under 35 U.S.C. § 103(a) is improper and should be withdrawn.

Dependent claims 3-9, 11-14, 17-23, 25-28, 31-37, and 39-41 are allowable because they each ultimately depend from an allowable independent claim, as well as for the further features they recite.

CONCLUSION

Having addressed each of the foregoing rejections, it is respectfully submitted that a full and complete response has been made to the outstanding Office Action and, as such, the application is in condition for allowance. Notice to that effect is respectfully requested.

If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

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Respectfully submitted,

By: _____
Nidhi Chotani
Registration No. 59,924

Customer No. 00909

PILLSBURY WINTHROP SHAW PITTMAN LLP
P.O. Box 10500
McLean, Virginia 22102
Direct Dial: 703-770-7529
Main: 703-770-7900
Fax: 703-770-7901